

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| REQUEST FOR CONFIDENTIAL TREATMENT |) | |
| OF THE COST INFORMATION FILED WITH THE |) | |
| PROPOSED TARIFF OF BELL SOUTH |) | |
| TELECOMMUNICATIONS, INC., TO INTRODUCE |) | CASE NO. 96-287 |
| MULTIPOINT VIDEO CONFERENCING SERVICE |) | |
| (MVCS) FILED WITH THE COMMISSION ON |) | |
| JUNE 21, 1996 |) | |

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed June 21, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the revenue sales and contribution projections and cost support data developed in connection with BellSouth's proposed tariff to introduce Multipoint Video Conferencing Service ("MVCS") on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and it appearing to this Commission as follows:

BellSouth has filed a revision to its General Subscriber Service Tariff which introduces MVCS. MVCS is a intraLATA video service that provides interactive multipoint video conferencing. This service utilizes a network based Multipoint Control Unit, a Master Scheduler, and a reservations center to manage and switch compressed digital video signals. Three MVCS rate options will be offered. Under the first option, a customer pays a fixed monthly rate and a per minute of use rate. Under the second option, a customer pays a fixed monthly rate that includes 50 hours of usage with an

additional per minute of use rate for usage in excess of 50 hours. The third option is similar to the second option except that it includes 100 hours of usage.

The information sought to be protected is not known outside of BellSouth and is not disseminated within BellSouth except to those employees who have a legitimate business need to know and act upon the information. BellSouth seeks to preserve and protect the confidentiality of the information through all appropriate means including the maintenance of appropriate security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

BellSouth's competitors include interexchange carriers, competitive access providers, cable companies and other vendors. Disclosure of the information sought to be protected would enable BellSouth's competitors to determine BellSouth's cost and contribution from the service. BellSouth's competitors could use this information to market their competitive services to the detriment of BellSouth. Therefore, disclosure

of the information is likely to cause BellSouth competitive injury and the information should be protected as confidential.

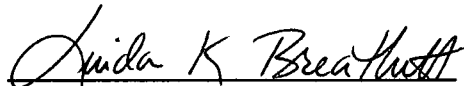
Additionally, the cost study for MVCS contains vendor-specific pricing negotiated by BellSouth. Disclosure of this information would impair BellSouth's ability to contract for goods and services on favorable terms and thereby weaken its competitive position in the marketplace.


This Commission being otherwise sufficiently advised,

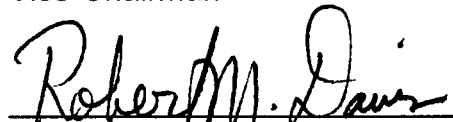
IT IS ORDERED that the revenue, sales and contribution projections and cost support data developed in connection with BellSouth's proposed tariff to introduce MVCS, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 1st day of August, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director